AMENDED IN ASSEMBLY APRIL 23, 2002 AMENDED IN ASSEMBLY APRIL 4, 2002

CALIFORNIA LEGISLATURE—2001-02 REGULAR SESSION

ASSEMBLY BILL

No. 3051

Introduced by Assembly Member Papan (Coauthor: Assembly Member Calderon)

March 21, 2002

An act to amend Section 84506 of, and to add Section 84506.3 to, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 3051, as amended, Papan. Campaign advertisements: independent expenditure committees.

Existing provisions of the Political Reform Act of 1974 require that a broadcast advertisement or mass mailing that expressly advocates the election or defeat of a candidate or ballot measure include the names of the 2 largest contributors to the committee making the independent expenditure.

This bill would define a "broadcast advertisement" for purposes of this requirement to include a prerecorded telephonic message expressly advocating the election or defeat of a clearly identified candidate that is delivered to the homes of more than 200 potential voters at any time during the 20 days immediately before an election.

The bill would require specified disclaimers for advertisements that are independent expenditures. The bill would require an Independent Expenditure Committee to file a copy of the advertisement with the commission before distributing the advertisement to voters, along with

AB 3051 -2-

documentation for claims made in the advertisement regarding candidates.

This bill also would prohibit an independent expenditure committee from paying for a campaign advertisement, as defined, that makes a false claim.

This bill would require the Fair Political Practices Commission to make a determination, within 48 hours of receipt of an alleged false claim, whether a false claim has been made. This bill would require the commission to impose a civil fine of \$1,000,000, in addition to any other penalty provided by the act, immediately upon the commission's determination that a false claim has been made.

Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these penalties on persons who violate the provisions of this bill.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $^2/_3$ vote of each house and compliance with specified procedural requirements.

Proposition 208, an initiative measure approved by the voters at the November 5, 1996, statewide general election, makes the amendment provisions of the Political Reform Act applicable to the amendment of the initiative measure.

This bill, which would declare that it furthers the purposes of the Political Reform Act of 1974 and Proposition 208, would therefore require a $^2/_3$ vote.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 84506 of the Government Code is 2 amended to read:

_3 _ AB 3051

84506. (a) If the expenditure for a broadcast or mass mailing advertisement that expressly advocates the election or defeat of a clearly identified candidate or ballot measure is an independent expenditure, the committee, consistent with any disclosures required by Sections 84503 and 84504, shall include on the advertisement the names of the two persons making the largest contributions to the committee making the independent expenditure. If an acronym is used to specify any committee names required by this section, the names of any sponsoring organization of the committee shall be printed on print advertisements or spoken in broadcast advertisements. For the purposes of determining the two contributors to be disclosed, the contributions of each person to the committee making the independent expenditure during the one-year period before the election shall be aggregated.

- (b) For purposes of this section, "broadcast advertisement" includes a prerecorded telephonic message expressly advocating the election or defeat of a clearly identified candidate that is delivered to the homes of more than 200 potential voters at any time during the 20 days immediately before an election.
- (c) Every advertisement shall include the following disclaimer: "This paid political advertisement was produced without the permission or authorization of any candidate for political office." The disclaimer must also include the name of the Independent Expenditure Committee, the amount of money used to produce and distribute the advertisement, and whether the advertisement was produced in support of a candidate, or opposition to a candidate.
- (d) (1) All broadcast advertisement disclaimers shall be made at the beginning of the advertisement to warn voters that what they are about to see or hear is not paid for or authorized by a candidate for office. For a television advertisement, the text of the disclaimer shall run throughout the entire ad, and shall be made audible once, at the beginning of the advertisement.
- (2) For an advertisement sent by mail, the disclaimer shall be printed on the front page of the mailer, in boldface uppercase type, at least 24-point in size.
- (e) For every advertisement made, the Independent Expenditure Committee shall file a copy of the political advertisement with the Fair Political Practices Commission before

AB 3051 — 4 —

distributing to voters, along with documentation for any claims made in the advertisement regarding candidates.

- (2) For an advertisement sent by mail, the portion of the disclaimer required pursuant to paragraph (1) that states "This paid political advertisement was produced without the permission or authorization of any candidate for political office" shall be printed on the front page of the mailer, in boldface uppercase type, at least 12-point in size. All other required disclaimer information shall be printed on the front page of the mailer, in boldface uppercase type, at least 8-point in size.
- SEC. 2. Section 84506.3 is added to the Government Code, to read:
- 84506.3. (a) An independent expenditure committee may not pay for a campaign advertisement that makes false claims.
- (b) For purposes of this section, "campaign advertisement" means a mass mailing or advertisement disseminated by a print medium or electronic medium that expressly advocates the election or defeat of a clearly identified candidate by the voters.
- (c) (1) For the purposes of this section, the commission shall determine within 48 hours of receiving notice of an alleged false claim, whether the campaign advertisement makes a false claim or claims.
- (2) If the commission determines pursuant to paragraph (1) that the campaign advertisement, in whole or in part, makes a false claim or claims, the commission shall immediately impose the penalty set forth in subdivision (d).
- (d) In addition to any other penalty provided by this title, a violation of this section shall be punishable by a civil fine of one million dollars (\$1,000,000). Each officer of the independent expenditure committee and each of the persons named as the two largest contributors under Section 84506 shall be separately liable for the fine.

SEC. 3.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within

—5 — **AB 3051**

- the meaning of Section 6 of Article XIII B of the California 2 Constitution.
- 3 SEC. 4.
- 4 SEC. 3. The Legislature finds and declares that the provisions 5 of this act further the purposes of both the Political Reform Act of
- 6 1974 within the meaning of subdivision (a) of Section 81012 of the
- Government Code and Proposition 208 within the meaning of
- 8 Section 45 of that measure.